UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

JUN 26 1987

OFFICE OF
AIR AND RADIATION

MEMORANDUM

SUBJECT: CEMS Policy and FY 88 Guidance

FROM: John S. Seitz, Director
Stationary Source Compliance Division
Office of Air Quality Planning and Standards

TO: Air Management Division Directors
Regions I, III and IX

Air and Waste Management Division Director
Region II

Air Pesticides and Toxics Management Division Directors
Regions IV and VI

Air and Toxics Division Directors
Regions VII, VIII and X

Air and Radiation Division Director
Region V

In my memorandum of April 24, 1987, which transmitted the CEMS Technical Forum Report, I stated that SSCD has been designated as the lead to develop an OAQPS policy statement on the usage of CEMS. Attached is a draft copy of that policy.

The policy statement incorporates some Regional input and has been reviewed by the Director and senior staff of OAQPS. However, I would like to receive your comments on it before it is finalized. Please provide your comments to me or to Gerard C. Kraus of my staff by July 8. Mr. Kraus may be reached at FTS 382-2835.

Attachment

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MEMORANDUM

SUBJECT: CEMS Policy and FY 88 Guidance

FROM: Gerald A. Emison, Director
Office of Air Quality Planning and Standards

TO: Air and Waste Management Division Director
Region II

Air Management Division Directors
Region I, III and IX

Air Pesticides and Toxics Management Division Directors
Regions IV and VI

Air and Toxics Division Directors
Regions VII, VIII and X

Air and Radiation Division Director
Region V

Purpose

This memorandum clarifies the OAQPS policy on the use of Continuous Emission Monitoring Systems (CEMS) data and provides specific guidance as to how that policy should be implemented. It also provides instructions for meeting FY 1988 Strategic Planning and Management System (SPMS) and Regional oversight requirements.

Definition

CEMS is one of several self-monitoring techniques used to monitor continuous compliance. Fuel sampling and analysis used to assess the compliance of SO_2 sources and recordkeeping requirements for VOC sources are two other self-monitoring techniques. Self-monitoring techniques should be integrated into the air compliance program as a means of assessing continuous compliance with air emission regulations.

Information

As the air compliance program resolves initial compliance problems and sources install control equipment, efforts to assure continuous compliance become increasingly important. OAQPS has found that CEMS is a valuable tool for continuous compliance based on the review of State and Regional programs that promote the use of CEMS.

Some of the States which regularly use CEMS data in compliance monitoring and in supplementing or supporting enforcement actions are Washington (with SO_2 and total reduced sulfur data) and Tennessee (with opacity monitoring data). Ohio has a comprehensive program for requiring CEMS in operating permits. If it is technically feasible, CEMS requirements should be incorporated into operating permits and resolutions of enforcement actions including consent decrees and administrative orders. Pennsylvania and Indiana have highly structured CEMS programs including penalty programs based on excess emissions.

Policy

OAQPS is committed to promoting, encouraging and utilizing CEMS data as a compliance assessment measure. Our Office is also committed to the use of CEMS in direct enforcement where CEMS is the compliance method and for supporting enforcement where CEMS is not the compliance method. OAQPS encourages the use of CEMS data by States in compliance monitoring and in supplementing or supporting enforcement actions.

CEMS should be used to assure continuous compliance of sources in both attainment and nonattainment areas. Priority should be given to monitor the continuous compliance of SIP (including major and minor NSR sources) and NSPS sources in nonattainment areas. Also, CEMS should be used to monitor the continuous compliance of NSPS and PSD sources in attainment areas. Sources with excess emissions identified by CEMS data should be targeted for follow-up action. CEMS data should also be used to designate significant violators. Such sources should then be tracked in accordance with "timely and appropriate" guidance.

There are two different types of CEMS data - direct compliance monitoring and excess emission monitoring. Where CEMS is the compliance method the status of the source is established and documented by CEMS data. That status should be coded in the Compliance Data System (CDS). Any violation should be addressed by appropriate enforcement action including the assessment of penalties. There are plans to modify the CEM Subset of CDS to allow for entry of direct compliance monitoring data. The second type of CEMS data is where CEMS is not the compliance method. In these cases, CEMS data should be used to monitor the continuous compliance of sources and to initiate follow-up enforcement action including targeting inspections, requesting further information, and issuing a notice of violation.

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Future Action

The FY 1988 SPMS requires determination and reporting of the compliance status of those SO_2 sources subject to CEMS requirements. Specifically, such sources should be identified and their status determined with respect to CEMS installation, certification, and report submission. While SO_2 sources are emphasized in SPMS, this measure should be carried out for all sources with CEMS requirements.

An OAQPS Regional Oversight System will be implemented in FY 1988. This system will be a broader management system than SPMS and will include tracking all SIP and NSPS sources with CEMS requirements in nonattainment areas. NSPS sources with CEMS requirements in attainment areas will also be tracked. As part of the overall compliance monitoring program, it is expected that the Regional Offices will review Excess Emission Reports (EERs) and enter EER summary data into the CEM Subset. It is a minimum requirement that States with delegated authority provide EPA with the information needed to permit entry of summary EER data into the CEM Subset. Guidance on the minimum reporting requirements to the CEM Subset was issued in June 1987.

Headquarters will conduct a mid-year review in FY 1988 of the data in the CEM Subset. The purpose of this review will be to assure that sources with continuous compliance

problems have been identified, have received proper follow-up attention, and if appropriate, have been placed on the significant violators list. Our findings and recommendations will be reported to the Regional Offices.

As part of our FY 1988 program, an Electronic Bulletin Board will be developed. This bulletin board will include a summary of NSPS and SIP source categories with CEMS requirements and a list of applicable CEMS guidance available.

Conclusion

CEMS is an important technique for monitoring the continuous compliance of stationary sources and should be an expanding component of the air compliance program. CEMS has been shown to be effective for identifying sources with continuous compliance problems and has allowed agencies to utilize their compliance monitoring resources more effectively.